

City of Detroit

CITY COUNCIL

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TO: Shenetta L. Coleman, Director
Human Services Department

FROM: Irvin Corley, Jr., Fiscal Analysis Director *ly.*

DATE: April 27, 2006

RE: 2006-2007 Budget Analysis

Attached is our budget analysis regarding your department's budget for the upcoming 2006-2007 Fiscal Year.

Please be prepared to respond to the issues/questions raised in our analysis during your scheduled hearing. We would then appreciate a written response to the issues/questions at your earliest convenience subsequent to your budget hearing. Please forward a copy of your responses to the Councilmembers and the City Clerk's Office.

Please contact us if you have any questions regarding our budget analysis.

Thank you for your cooperation in this matter.

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Attachment

cc: Councilmembers
Council Divisions
Auditor General's Office
Pamela Scales, Budget Department Director
Charlayne Parker, Budget Department Team Leader
Roger Short, Interim Chief Financial Officer
Kandia Milton, Mayor's Office

Department of Human Services (30)

FY 2006-2007 Budget Analysis by the Fiscal Division

Summary

The Human Services Department is a General Fund Agency. The recommended 2006-2007 budgeted appropriations total \$63.0 million, which represents a \$13.8 million decrease over the current fiscal year budget. The Department's net tax cost to the City has increased from zero to \$250,000.

2005-2006 Surplus/(Deficit)

The Mayor has projected no surplus or deficit for the Human Services Department.

Overtime

There is no budgeted salary overtime in the 2005-2006 budget for the Human Services Department. Through March 31, 2006, the department spent \$17,906 on overtime.

Significant Changes in Funding by Appropriation

Appro. Program

11946	Head Start	The appropriation decreased by \$6.8 million in fiscal year 2006-2007 due to a decrease in grant funding. Program slots not being filled due to decreased enrollment and school closures in the Detroit Public Schools caused the decrease.
11947	Handicap Services	The appropriation decreased by \$453,776 in fiscal year 2006-2007 due primarily to the decrease in grant funding.
11948	Early Head Start	The appropriation decreased by \$40,262 in fiscal year 2006-2007 due to the decrease in grant funding.
11949	HS – Training and Technical Assistance	The appropriation decreased by \$73,051 in fiscal year 2006-2007 due to the decrease in grant funding.
11627	Youth Mapping Project (STEPS)	The appropriation decreased by \$380,000 in fiscal year 2006-2007 due to the grant expiring.
11628	Successful Accountability for Evaluating	The appropriation decreased \$568,064 in fiscal year 2006-2007 due to the grant expiring.
11629	Dreaming While	The appropriation decreased \$211,000 in fiscal year

	Achieving (Empowerment)	2006-2007 due to the grant expiring.
11940	MI Public Service Commission Fund – MCAAA WX	The appropriation decreased by \$106,926 in fiscal year 2006-2007 due to a decrease in grant funding.
11942	Weatherization DOE	The appropriation increased by \$224,340 in fiscal year 2006-2007 due to an increase in grant funding.
11943	Weatherization LIHEAP	The appropriation decreased by \$570,505 in fiscal year 2006-2007 due to a decrease in grant funding.
12082	MDHS/MPSC Wx	This is a new state grant to assist low-income individuals and families with their energy utility bills. The appropriation for 2006-2007 is \$538,361.
12083	MDHS/MPSC Client Education	This is a new state grant to educate low-income individuals and families about how to make their homes more energy efficient to reduce their energy utility bills. The appropriation for 2006-2007 is \$100,000.
11944	SEMHA Ryan White Title I	The appropriation decreased by \$25,384 in fiscal year 2005-2006 because of reduced grant funding.
11950	Drug Treatment	The appropriation increased \$45,000 in fiscal year 2006-2007 due to increased grant funding.
11954	SEMHA Ryan White Title II	The appropriation increased \$25,616 in fiscal year 2006-2007 due to increased grant funding.
06973	Supportive Housing	The appropriation decreased by \$4.7 million in fiscal year 2006-2007 due to the grant expiring.
10149	Warming Center/Supportive Services	This is a new program to provide warming centers during the winter. A matching amount is being sought through the Emergency Shelters grant, which is administered by the Planning and Development Department. The appropriation for 2006-2007 is \$250,000.

Personnel and Turnover Savings

The Mayor recommends no turnover savings in FY 2006-07.

Following is information by appropriation comparing budgeted FY 2005-06 positions, March 31, 2006 filled positions and FY 2006-07 recommended positions.

<u>Appropriation/Program</u>	<u>Budgeted Positions FY 2005-06</u>	<u>Filled Positions 3/31/2006</u>	<u>Mayor's Budget Positions FY 2006-07</u>	<u>Over/(Under) Actual to 05/06 Budget</u>	<u>Mayor's Recommended Turnover</u>
Human Services (30):					
303600 CSBG Administration	24	0	0	(24)	\$ -
303601 Center Operations	48	0	0	(48)	\$ -
11607 CSBG Administration	72	0	0	(72)	\$ -
11617 Head Start	38	0	0	(38)	\$ -
11618 Handicap Services	2	0	0	(2)	\$ -
11621 Drug Treatment	26	0	0	(26)	\$ -
303700 CSBG Administration	0	30	21	30	\$ -
303701 Center Operations	0	33	51	33	\$ -
11935 CSBG Administration	0	63	72	63	\$ -
11946 Head Start	0	38	37	38	\$ -
11947 Handicap Services	0	2	2	2	\$ -
11950 Drug Treatment	0	25	26	25	\$ -
30XXXX Leave of Absence	0	(2)	0	(2)	\$ -
30XXXX Workers Compensation	0	(1)	0	(1)	\$ -
30XXXX Unmatched Positions	<u>0</u>	<u>2</u>	<u>0</u>	<u>2</u>	<u>\$ -</u>
TOTAL	<u>138</u>	<u>128</u>	<u>137</u>	<u>(10)</u>	<u>\$ -</u>

Significant Revenue Changes

State and federal grants are annually fluid – increasing, reducing, being eliminated or being created. The net effect of these changes is that the grant revenue has decreased by \$13.8 million in 2006-07.

Human Services (30)

<u>Budgeted Professional and Contractual Services by Activity</u>	<u>FY 2005-06 Budget</u>	<u>FY 2006-07 Recommended</u>	<u>Increase (Decrease)</u>
Administration & Center Operations	\$ 1,112,330	\$ 1,191,479	\$ 79,149
Community Programs	464,240	442,240	(22,000)
Head Start & Early Head Start/Youth	50,706,650	42,655,409	(8,051,241)
Weatherization & Energy Assistance	4,146,649	4,271,633	124,984
Neighborhood Drug Program	304,495	447,597	143,102
Homeless Programs	<u>112,111</u>	<u>250,000</u>	<u>137,889</u>
Total	<u>\$ 56,846,475</u>	<u>\$ 49,258,358</u>	<u>\$ (7,588,117)</u>

Issues and Questions

1. The Supportive Housing appropriation is no longer being funded. What happened to the funding? Is there another program to take its place?
2. Are there any plans to expand the renting of space at Historic Fort Wayne for any additional youth programs?
3. What progress has been made in the Fatherhood Initiative Program?

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